30 September 1970

MEMORANDUM FOR THE RECORD

SUBJECT: Defense Authorization Bill

l. Mr. J. Fred Buzhardt, General Counsel, Department of Defense, called to say that he and Mr. Moot were aware of Senator Stennis' call to the Director. Their attitude was that Senator Stennis had not called the Department of Defense so there were no prohibitions on transfer of Defense funds. He said he felt the problem of utilization was ours.

2. Mr. Buzhardt also said that a young man from the	
National Security Council staff by the name of either Chance or	STATINTL
vance had been over in DoD stating that the NSC staff was also	STATINIL
making a study of the impact of section 502 of the Defense	
authorization bill.	

LAWRENCE R. HOUSTON
General Counsel

OGC Subject - APPROPRIATIONS OGC Chrono.
OGC:LRH:mks

Added: Executive Director-Comptroller DDP

**OGC Has Reviewed**